Delaware, Reckitt Reach Suboxone Settlement

Multi-state settlement resolves allegations of improper marketing and sale of addictive withdrawal treatment

Attorney General Kathy Jennings announced today that Delaware and other states have reached an agreement with pharmaceutical distributor Reckitt Benckiser Group ("Reckitt") to settle allegations that the company, either directly or through a subsidiary, improperly marketed and otherwise promoted the drug Suboxone, resulting in improper expenditures of state Medicaid funds.

Suboxone is a drug product approved for use by recovering opioid addicts to avoid or reduce withdrawal symptoms while they undergo treatment. Suboxone and its active ingredient, buprenorphine, are powerful and addictive opioids.

"I'm grateful for the work that our Medicaid Fraud Control Unit does each day to protect consumers and ensure good stewardship of our tax dollars," said Attorney General Jennings. "The opioid crisis has been one of the deadliest epidemics in Delaware history, and the challenges of recovery cannot be overstated. Appropriate medication can be a vital resource for people facing the considerable challenges of recovery, and we expect companies selling that medication to be fair and honest with consumers and Medicaid alike."

Reckitt is an English public limited company headquartered in the United Kingdom. Until December 23, 2014, Reckitt's wholly owned subsidiary Indivior Inc. (then known as Reckitt Benckiser Pharmaceuticals, Inc.) distributed, marketed, and sold Suboxone Sublingual Tablets and Suboxone Sublingual Film in the United States.

The civil settlement resolves allegations that, from 2010

through 2014, Reckitt directly or through its subsidiaries:

1. Promoted the sale and use of Suboxone to physicians who were writing prescriptions for patients without any counseling or psychosocial support, for uses that were unsafe, ineffective, and medically unnecessary. These practices allegedly made Suboxone susceptible to diversion for uses that lacked a legitimate medical purpose.
2. Falsely and misleadingly claimed that Suboxone Sublingual Film was less susceptible to diversion and abuse than other buprenorphine products, and that Suboxone Sublingual Film was less susceptible to accidental pediatric exposure than Suboxone Sublingual Tablets;
3. Fraudulently claimed in an FDA petition that it had discontinued manufacturing and selling Suboxone Sublingual Tablet "due to safety concerns" about the drug's tablet formulation; and
4. Fraudulently stifled generic competition for various forms of Suboxone in order to improperly control pricing, including pricing to federal health care programs.

Reckitt has agreed to pay a total of $700 million to resolve various civil fraud allegations impacting government health care programs, with $3.08 million going to Medicaid. Delaware's share of $1.3 million will go to the Division of Medicaid and Medical Assistance within the Department of Health and Social Services.

A National Association of Medicaid Fraud Control Units ("NAMFCU") Team participated in the investigation and in settlement negotiations. The Team included representatives from the Offices of the Attorneys General for the states of California, Indiana, New York, Ohio, Virginia, and Washington. Director Christina Kontis and Senior Auditor Ellen Yates of the Medicaid Fraud Control Unit handled this matter for

Delaware.